



## Economic Growth & Competitiveness

### – Cause & Effect Map

As a community, Bellevue values...

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.



#### Factors:

##### City Brand

- City Mission/Vision
- Bellevue's Reputation
- Regional Character & Location
- Existing Businesses & Industries
- Regional Leader in Commerce
- International Gateway City

##### Costs and Capital

- Incentives
- Tax Policies & Programs
- Development Processes
- Utility Costs

##### Land, Infrastructure and Planning

- Infrastructure for Communications & Utilities
- Transportation Systems & Choices
- Strategic Growth Plan
- Zoning & Site Development
- Major Facilities

##### Quality of Community

- Social Offerings
- Housing Choices
- Diverse Retail & Tourism
- Parks/Open Space & Well-Kept Neighborhoods
- Sense of Community

##### Workforce

- Diverse Workforce
- Higher & Continuing Education
- Training, Internships, Apprenticeships & Volunteer Programs
- Diverse Employment Portfolio

#### Key Community Indicators:

- % of residents who feel the City is doing a good job of planning for growth that adds value to their quality of life
- % of residents who agree that the City is doing a good job helping create a competitive business environment that supports entrepreneurs and creates jobs.

#### Key Performance Indicators:

- % of customers rating inspection or review services as very good or good
- Employment growth rate by sector
- Jobs in Bellevue as a % of total regional jobs
- % change in B & O tax revenue
- Change in Taxable Retail Sales (TRS) per capita
- Employment rate of Bellevue citizens compared with the regional rate



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### **The 2015-2016 Economic Growth and Competitiveness Result Team:**

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**Team Members:** Mike Ingram, Megan Sibbert, and Stephanie Dompier

**Team Staff:** Kevin Lorentzen

### **Introduction**

This Request for Results (RFR) outlines the results and factors that will be used to evaluate and rank operating offers for the Budget One process for Economic Growth and Competitiveness (EGC). Citizen-focused outcomes were approved by City Council and form the basis for developing the City Manager's Preliminary Budget. This document provides guidance to staff in developing offers for the 2015-2016 Operating Budget and 2015-2021 Capital Investment Program Plan.

### **Community Value Statements**

As a community, Bellevue values:

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.

### **Community Indicators**

Community Indicators (CIs) are high level measurements that provide information about past and current trends. They provide insight that community leaders and others can use in making decisions that affect future outcomes.

In the case of Budget One, they are high level indicators of resident opinion that illuminate Council Outcomes and parallel the Community Value Statements. They are gathered annually and provide insight into the overall direction toward an intended outcome – whether things are improving, declining, or pretty much staying the same. The CIs for EGC are:

- % of residents who feel that the City is doing a good job of planning for growth in ways that add value to their quality of life.



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- % of residents who agree that the City is doing a good job helping create a competitive business environment that supports entrepreneurs and creates jobs.

#### **Performance Indicators**

The Performance Indicators (PIs) listed below are a collection of measures that taken together, indicate whether the Economic Growth and Competitiveness outcome is achieving the community's desired result. They provide a snapshot of current performance and track over time where actual performance is improving, worsening or staying the same. The PIs for EGC are:

- % of customers rating inspection or review services as very good or good
- Employment Growth Rate by sector
- Jobs in Bellevue as a % of total regional jobs
- % change in B & O tax revenue
- Change in Taxable Retail Sales (TRS) per capita
- Employment rate of Bellevue citizens compared with the regional rate

#### **Background and Context**

Bellevue's economic growth and competitiveness is about the community's existing and future economic vitality, productivity and economic opportunity. While this Outcome is a product of virtually everything that occurs in the city, it is also impacted by product of regional, national and international activities. As recognized in Bellevue's Comprehensive plan, Bellevue provides an attractive business location for a number of reasons, including its geography, demographics and quality of life. Bellevue's strengths include its central location within the Eastside, its downtown urban center, its proximity to Seattle, its excellent access to a regional transportation network (including transit options), and a well-educated workforce. Bellevue's increasing cultural diversity also feeds the entrepreneurial spirit and offers connections to the global economy.

Bellevue is a major regional employment center with nearly 140,000 workers. Bellevue's regional shopping centers and large commercial areas draw customers and workers from throughout the region. Bellevue's vibrant economy not only bolsters employment, but also helps keep city tax rates low. In addition, the city shares goals for long-term prosperity with the larger Puget Sound area, which is characterized by the region's status as a global business hub for aerospace and information technology.

The City Comprehensive Plan encompasses an Economic Development Element identifying the following key areas for concentrated City attention. Note that the City Comprehensive Plan is in the process of being updated. While there may be subsequent changes to the key areas



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below as a result of this effort, the areas of emphasis are based on the best information currently available from the Comprehensive Plan Update Team.

1. Business Climate
2. Community Livability/Quality of Life
3. Education
4. Planning and Infrastructure
5. Diverse and Dynamic Places
6. Business Retention and Recruitment
7. Implementation Strategies

The 2012 City of Bellevue Budget Survey also provides context for this Outcome and for proposals that will be directed here. In particular, the Survey notes that Bellevue residents rank Economic Growth and Competitiveness as the 3<sup>rd</sup> priority among the seven budget Outcomes (up from 4<sup>th</sup> in 2010). In addition, of the 38 City service areas evaluated in the Survey, Bellevue residents rank “promoting jobs and economic development” as an area of significant change in importance, with a priority level of 8<sup>th</sup> but with a satisfaction level of 36<sup>th</sup>.

The team recognizes that a wide variety of factors influence economic growth and competitiveness and that many overlap with other Outcomes. Public safety, transportation, utility infrastructure, and parks are all critical to the City’s productivity and prosperity; however, these are explicitly addressed by other Outcomes. Consistent with the general instructions, proposals should be submitted to the Outcome most closely aligned with the proposal’s primary objective. Schools are another factor relevant to economic growth and competitiveness, but they largely fall outside of the direct purview of the City government. If it is not initially clear, Results Teams will work with each other and the submitting department(s) to identify the most appropriate Outcome for evaluating and rating each offer. In short, if a proposal is focused on economic growth and competitiveness aspects, it should be addressed to this Outcome.

### **Factors**

Five primary factors were identified that we believe most directly influence economic growth and make the city more competitive regionally, nationally and globally. The Cause & Effect (C&E) Map illustrates the relationship of these factors and their respective secondary (sub) factors contributing to the Community Value Statements. The C & E Map also illustrates the Key Community and Performance Indicators, which are measures indicative of how effectively the City is achieving this Outcome. The primary factors for EGC were deliberately not prioritized. In the context of Economic Growth and Competitiveness, each factor below plays a distinctive role in contributing to the outcome, both individually and collectively. As a result, prioritizing these factors seemed to limit the City’s objective with this process to prioritize the citizens and their priorities and not the



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status quo. In other words, we believe not ranking these factors provide respondents the opportunity to be creative in their budgeting asks without being limited by rankings provided by the Results Team.

The factors for EGC are:

- **City Brand**
- **Costs and Capital**
- **Land, Infrastructure, and Planning**
- **Quality of Community**
- **Workforce**

### Research

The 2015-2016 EGC Results Team built upon the foundation created by the 2013-2014 Results Team. The current Team reviewed the City's adopted plans and economic development policies and conducted additional, limited research into economic development materials listed in the attached list of resources.

### Proposal Writing Guidance:

In your proposal please describe activities that the City might undertake to affect the Economic Growth and Competitiveness factors and sub-factors (described in detail in the next **Factors & Purchasing Strategies** section). The factors and sub-factors are intended to speak to goals as opposed to city activities.

**For instance:** Our program does [activity] (the "what") in order to affect [factors and sub-factor(s)] (the "why")

WHAT - activities the city does	WHY- factors (and sub factors)
Strategic planning	City Brand
Fostering partnerships	Costs and Capital
Strengthening relationships	Land, Infrastructure, and Planning
Affecting policy	Quality of Community
Affecting zoning or development space	Workforce
Improving permitting processes	
Marketing and outreach	



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Studies, evaluation, and research

Leveraging tax policies and incentives

Program development

Program delivery

As much as possible, show the logical relationship between your proposal and how it might support one or more of the factors which contribute to EGC. Your proposal does not need to support all the factors, in fact we urge you to be selective and strategic in choosing the factors that most closely align with your proposal. If possible, describe short, medium, or long-term goals of the program in your proposal. Also show how your proposal relates to the citywide purchasing strategies.

#### **Purchasing Strategies**

##### **Factor 1: City Brand**

Brand encompasses the perceptions of what a city is. Bellevue has a brand image of being a city with vision, creativity, a commitment to excellence, and a strong sense of civic pride. It is a smart city that is rich and diverse with well-educated and trained citizens, business leaders, and workers. Bellevue provides opportunities in which to locate and grow because it is a place where innovative industry and business-friendly services exist, including those directly provided by the City. Bellevue is also an attractive place with many natural features and spaces and is thought of as a “City in a Park.” There is a certain buzz surrounding Bellevue as a place of possibility and prospect. The combined positive impressions about Bellevue, including its unique characteristics, its business base, and its people form the basis of the City Brand.

The City Brand is a key component of advancing Bellevue’s economic growth and competitiveness in the region, the state, the nation, and the world. Bellevue’s Brand is a valuable asset and is a result of many relationships that are created and fostered within the other four economic factors in this RFR. Good economic development programs will often incorporate and build upon the City Brand, and will help develop, promote, advance, strengthen, and protect it in order to attract businesses and a skilled workforce.

##### **Sub factors:**

- City Mission/Vision
    - Bellevue’s Reputation
    - Regional Character and Location
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- Existing Businesses and Industries
- Regional Leader in Commerce
- International Gateway City

#### **Purchasing Strategies:**

We are seeking proposals that enhance and promote the City Brand as a core asset. Such proposals will highlight Bellevue's reputation as a great place to live, work, learn and play. Specifically proposals that:

- Develop and support the ideas behind our City Mission/Vision in a unified manner (exceptional public service, upholding the public interest and being a collaborative, innovative organization that is future-focused and committed to excellence).
- Contribute to the positive reputation of Bellevue as a great place for business and development, a safe and diverse community to live in, and city with a vibrant retail and cultural life.
- Market the city and region's distinctive qualities and attributes including: our position as an established center of commerce, our central location (heart of the Eastside) and proximity to major transportation corridors (including transit connectivity), and our beautiful parks and open spaces.
- Showcase the city as a forward-looking community with a business-supportive culture and high quality of life (this may include local, national, or international recognition).
- Recognize opportunities presented by the diversity of the Bellevue community and the connections of many residents and workers to the global economy.

#### **Factor 2: Costs & Capital**

A basic goal of the City is striving to make "doing business in Bellevue" easy! This factor is a fundamental driver to attract and retain businesses. Streamlined, predictable processes and supporting policies and programs all contribute to a conducive business climate.

#### **Sub-factors:**

- Incentives
- Tax Policies and Programs
- Development Processes
- Utility Costs



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#### **Purchasing Strategies:**

We are seeking proposals that support streamlined and predictable development processes while providing flexibility for the City to engage with the business community and regional partners. Specifically proposals that:

- Maintain streamlined, predictable, and customer-focused development processes.
- Facilitate private sector investments and partnerships with other governmental entities, the business community, and other organizations.
- Facilitate desired development by leveraging financing tools such as business districts, incentives, credits and bonds.
- Balance taxes, fees and utility rates with the City's economic development goals, commitment to high-quality services, and financial health.
- Enhance access to business capital to support development of new and growth of existing businesses.
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#### **Factor 3: Land, Infrastructure, and Planning**

The City's growth plans communicate the overall vision for economic growth and thriving business districts. Strategic land, infrastructure, and development planning form the foundation for the City's economic competitiveness and advance the living standard of the community.

Robust transportation, utility, and communication networks directly add value by enabling more productive uses of land as a resource. The City—and its regional infrastructure partners—have a responsibility to continue to improve the capacity and reliability of these infrastructure networks to move people and goods, transfer information and provide services efficiently and safely while protecting and enhancing the city's natural environment. Multi-modal options for traveling to and within the City also play a key role in attracting a talented workforce. Civic facilities are another form of infrastructure that attracts businesses and contribute to the community's overall appeal.

#### **Sub-factors:**

- Infrastructure for Communications and Utilities
- Transportation Systems and Choices
- Strategic Growth Plans
- Zoning & Site Development
- Major Facilities





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#### **Purchasing Strategies:**

We are seeking proposals that promote, create, and maintain economic growth and competitiveness by planning for and providing reliable and efficient infrastructure, systems and services. Specifically proposals that:

- Support development of robust utility and communication networks with quality, reliability and capacity to retain and attract businesses.
- Support the vitality of commercial districts by providing efficient access and circulation with multi-model choices
- Advance long-range economic growth strategies and plans that achieve the City's vision for the future as articulated in the Comprehensive Plan.
- Coordinate with regional partners for infrastructure and development planning.
- Facilitate a balanced mix of residential and commercial development through zoning and site development review.
- Promote usage and development of major facilities that attract businesses, residents and visitors.

#### **Factor 4: Quality of Community**

Quality of community includes the traditional concept of quality of life and also embraces a larger view of the whole community and its institutions, vibrancy and civic engagement. In today's global economy, the most challenging competition faced by industries is the competition for human talent. People are attracted to places with a high quality of life. Businesses recognize that a vibrant community enhances recruitment and retention. In addition, quality of community leads to greater community attachment (emotional bond to the community). Research indicates a strong positive correlation between community attachment and local economic growth.

Quality of community and economic growth and competitiveness are complementary to one another. Amenities such as shopping, entertainment, and restaurants not only affect the local economy but also contribute to the overall quality of life. A diverse range of housing choices also contributes to the quality of the community, in addition to being a key aspect of city-wide planning and infrastructure.

#### **Sub factors:**

- Social Offerings
- Housing Choices
- Diverse Retail & Tourism
- Parks & Open Space, and Well Kept Neighborhoods
- Sense of Community



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#### **Purchasing Strategies:**

We are seeking proposals that enhance Bellevue's quality of community and create community attachment. Specifically proposals that:

- Enhance arts and culture to offer options for people who live here as well as increase the appeal of Bellevue as a destination to visit.
- Promote wellness through a wide range of sports and recreational activities.
- Promote quality housing opportunities for all income levels; including student housing options.
- Support community amenities such as restaurants, farmer's markets, shops, events, tourist attractions, and other social offerings for citizens to meet and engage with one another.
- Recognize businesses that significantly contribute to the City's quality of community.
- Enrich community aesthetics including parks and open space as a core element of economic development.
- Establish a "sense of place" through creation of distinct and attractive neighborhoods, streetscapes, and shopping areas.
- Create a "sense of community" that is welcoming to various types of people including families, minorities, and young people entering the workforce

#### **Factor 5: Workforce**

A well-trained, talented, and diverse workforce provides Bellevue a competitive edge in the regional, national and global markets. Ability to hire and retain a skilled workforce can determine the success or failure of a business in a highly competitive and dynamic market. If employers are unable to find trained workers in Bellevue, they will seek alternative options.

Factors that contribute to a skilled, talented workforce include a rich network of educational and training institutions that prepare the future workforce. Apprenticeships, internships, volunteer opportunities and training programs provide individuals a mechanism to enter the workforce. It is equally important for our working population to have opportunities to evolve and grow through continuing education. Innovative partnerships between employers and educational institutions can be instrumental in attracting talent. In today's competitive market, a well-balanced diverse portfolio of employers contributes to economic sustainability of the city and appeals to a diverse population.



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### Sub-factors:

- Diverse Workforce (skills, culture, age, ability, etc.)
- Higher and Continuing education
- Training & Apprenticeships, Volunteer & Internship Programs
- Diverse Employment Portfolio

### Purchasing Strategies:

We are seeking proposals that develop the skills of Bellevue's present and future workforce so that businesses can successfully attract and retain talent. Specifically proposals that:

- Foster a diverse workforce by skills, culture, age, ability, etc. Provide job-matching or skill-matching services to attract and retain a diverse workforce.
- Support an evolving, growing workforce by providing opportunities for ongoing education within the city.
- Facilitate partnerships between educational institutions and local employers to attract new talent entering the workforce.
- Provide opportunities for on-the-job training via training, apprenticeships, volunteer and internship programs.
- Make Bellevue an attractive employment hub by supporting a diverse portfolio of employment opportunities in a variety of sectors.



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### Attachment A: List of Evidence

#### Written Materials

Previous research and interviews done for 2013-2014 Budget provided the basis for our Factors and Sub-Factors. The 2015-2016 EGC Results Team built on this knowledge base. Sources are listed below.

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### **Interviews**

**2013-2014 Economic Growth and Competitiveness Results Team**

**Dan Stroh, Planning Director, Planning and Community Development**

**Emily Christensen, Chief Communication Officer, City Manager's Office**

**Tom Boydell, Economic Development Manager, Planning and  
Community Development**

**Comprehensive Plan Update Team**